

1 IN THE UNITED STATES DISTRICT COURT
2 FOR THE NORTHERN DISTRICT OF ILLINOIS
3 EASTERN DIVISION

4 ORIGINAL

5 ROYAL SLEEP)
6 PRODUCTS, INC., a)
7 Florida Corporation,)

8 Plaintiff,)

9 vs.)

No. 07 C 6588

10 RESTONE CORPORATION,)
11 an Illinois)
12 Corporation, et al.,)

13 Defendants.)

14 The deposition of STEPHEN RUSSO, called
15 by the Plaintiff for examination, pursuant to
16 notice and pursuant to the Federal Rules of
17 Civil Procedure for the United States
18 District Courts pertaining to the taking of
19 depositions, taken before Laura E. Locascio,
20 Certified Shorthand Reporter and Notary
21 Public in and for the County of Cook, State
22 of Illinois, at 330 North Wabash Avenue,
23 Chicago, Illinois commencing at 1:40 p.m. on
24 the 14th day of July, A.D., 2008.



1 APPEARANCES:

2

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10 On behalf of the Plaintiff;

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12 BURKE, WARREN, MCKAY & SERRITELLA, PC

13 BY: MR. FREDERIC A. MENDELSON

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19 On behalf of the Defendants,

20 Restonic Corporation and

21 Restonic Mattress Corporation;

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4 BY: MR. THOMAS J. LYMAN, III

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7 Chicago, Illinois 60601

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9 On behalf of the Defendants,

10 Sleep Alliance, LLC; Royal

11 Bedding Company of Buffalo,

12 Jackson Mattress Co, LLC; and

13 Tom Comer;

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15 PEARSON CHRISTENSEN & CLAPP

16 BY: MR. DANIEL L. GAUSTAD

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20 Appearing telephonically on

21 behalf of the Defendants,

22 Stevens Mattress Manufacturing

23 Co. and Richards Stevens;

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BY: MR. ANDREW FRIEDBERG

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Appearing telephonically on

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behalf of the Defendants,

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Continental Silverline

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Products, L.P. and Drew Robins.

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Deposition of Stephen Russo

Royal Sleep Products, Inc. vs. Restonic Corporation

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14 (No exhibits were marked.)

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1 been product marketing --

2 A There were two committees previously.

3 Q What was the other committee?

4 A There was a product committee and a
5 marketing committee.

6 Q Streamlining our flow charts, right?

7 A Something like that.

8 Q Who were the members of the product
9 marketing committee, to your knowledge?

10 A There are -- you said in addition to
11 myself, there are -- again, this is current
12 membership -- there are six members.

13 David Walker, who is an employee of
14 the Restonic Oregon license. Chris Sanders,
15 who's an employee of the Restonic Twin Falls
16 Idaho license. Laurie Tokarz, who is an
17 employee of the Alliance Sleep Group.

18 Ken Akers, who's an employee of
19 Stevens group. Bob Quinn, who's an employee of
20 the New Albany group. And Brent Ford, who's an
21 employee of Houston.

22 Q Now, how often does the product marketing
23 committee meet?

24 A As needed.

1 membership -- changed since when you became
2 president up until today?

3 A Yes.

4 Q How has the make-up of those two
5 committees, now one, changed?

6 A Two things happened. One, there's a
7 fellow who was the sales and marketing VP for
8 Restonic Miami, who was on the -- I think he
9 was on the marketing committee, but he resigned
10 from that company. So he is no longer an
11 employee.

12 And when we combined the two
13 committees together, there were then two people
14 from Restonic New Albany group. So one of
15 those two came off.

16 Q Other than the change in the Miami
17 licensee and the New Albany licensee, has
18 Ms. Tokarz, Mr. Akers and Brent Ford always
19 been on one or both of those committees?

20 A At my request, yes.

21 Q Have they always -- have they been --
22 strike that.

23 In the six or so meetings that have
24 taken place in the State of Illinois since you

1 became president, has Mr. Akers, Ms. Tokarz and
2 Mr. Ford always attended in person?

3 A Not always.

4 Q Have there been times when Ms. Tokarz has
5 attended a product marketing committee
6 personally in the State of Illinois?

7 A Yes.

8 Q Do you know how many times?

9 A I don't recall.

10 Q Do you know if it was more than two?

11 A I don't recall. More than likely, yes.

12 Q Ken Akers, do you recall whether or not
13 there was an instance when Mr. Akers personally
14 attended a product marketing committee in the
15 State of Illinois?

16 A Yes.

17 Q Do you know how many times?

18 A Not exactly.

19 Q And Brent Ford, are you aware of the
20 number of times when Mr. Ford had attended in
21 person a product marketing committee meeting in
22 the State of Illinois?

23 A Not exactly. But he has been here.

24 Q Now, in addition to the various meetings

1 Q How about Laurie Tokarz, do you know if
2 she attended that meeting on behalf of the
3 Sleep Alliance?

4 A I believe Laurie did attend.

5 Q Do you know if Mr. Comer -- Tom Comer --

6 A He did not attend that meeting.

7 Q How about Drew Robins?

8 A No. That was a meeting for the product
9 marketing committee.

10 Q Do you recall a meeting that took place
11 in or about November -- I'm sorry. Strike
12 that.

13 Do you recall a meeting that took
14 place in or about September of '07 at the
15 Continental President's Club at O'Hare to
16 discuss Restonic brand proposal?

17 A Yes.

18 Q What was the purpose, just generally, of
19 that meeting?

20 A I called that meeting also. The product
21 marketing committee was interviewing three
22 different companies in order to determine which
23 one we wanted to work with on our brand
24 positioning program.

1 Q This was one of the continuations of that
2 meeting? The meeting that was held in
3 September of '07 at the O'Hare airport
4 Continental President's Club, that was one of
5 those three meetings?

6 A It was one meeting which all three
7 vendors came in sequence. What we did is we
8 held the meeting at the airport in order to be
9 able to shuttle people in and out and have all
10 the meetings done in half a day.

11 Q Do you know who participated in that
12 meeting on behalf of Restonic licensees? And
13 I'll go through the names. Do you know if
14 Brent Ford was at that meeting?

15 A Yes, I believe Brent was at that meeting.

16 Q How about Laurie Tokarz?

17 A I don't remember if Laurie was at that
18 meeting or not.

19 Q How about Ken Akers?

20 A I think Ken was at the meeting.

21 Q Did I say Brent Ford already? Yeah, I
22 think I did. That was the first one. Was
23 Tom Comer in that meeting?

24 A I believe Tom came to that meeting.

1 Q Was drew Robins at that meeting?

2 A I don't recall.

3 Q Do you recall if Richard Stevens was at
4 that meeting?

5 A No, Richard was not at that meeting.

6 Q Was anyone on Mr. Stevens' behalf at that
7 meeting?

8 A Akers.

9 Q Ken Akers. I'm sorry.

10 A Again, we need to be clear. That's a
11 product marketing committee meeting. So Ken
12 was a member of it. He was there on Richard's
13 behalf. Another fellow by the name of
14 Bob Quinn was also at that meeting. He was on
15 the product marketing committee.

16 Q Now, with respect to these product
17 marketing committees, do you have to be a
18 licensee or an employee of a licensee to attend
19 or to participate in these meetings?

20 A To be a member.

21 Q Who pays for the cost and expenses of the
22 participation for these meetings?

23 A Restonic does. And we reimburse the
24 travel expenses.

1 I further certify that I am not
2 counsel for nor in any way related to any of
3 the parties to this suit, nor am I in any way
4 interested in the outcome thereof.

5 I further certify that this
6 certificate applies to the original signed IN
7 BLUE and certified transcripts only. I
8 assume no responsibility for the accuracy of
9 any reproduced copies not made under my
10 control or direction.

11 IN TESTIMONY WHEREOF I have
12 hereunto set my hand and affixed my notorial
13 seal this 27th day of July, A.D., 2008.

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16 
17 Laura Locascio, CSR, RPR

18 My Commission Expires
19 October 16, 2011
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